

**THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
TRABUCO CANYON WATER DISTRICT
AUGUST 17, 2011**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Mike Safranski at 7:00 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Teresa Teichman, Secretary to the Board of Directors, recorded and transcribed the minutes thereof.

DIRECTORS PRESENT

Mike Safranski, President
Ed Mandich, Vice President
Matt Disston, Director
Jim Haselton, Director

STAFF PRESENT

Don Chadd, General Manager
Hector Ruiz, District Engineer
Teresa Teichman, Secretary to the Board of Directors
Michael Perea, Special Projects Manager
Karen Warner, Accounting Supervisor

PUBLIC PRESENT

There was one member of the public present.

PLEDGE OF ALLEGIANCE

Director Matt Disston led the Board and staff in the pledge of allegiance.

VISITOR COMMENTS

There were no visitor comments.

ORAL COMMUNICATION

There were no oral comments.

1 **DIRECTOR'S COMMENTS**

2 Director Disston provided a recap of the August, 2011 South Orange County Wastewater
3 Authority (SOCWA) meeting and referenced a letter from SOCWA to the Irvine Ranch Water
4 District (IRWD) relating to biosolids.

5 Discussion occurred relating to the position the San Diego Regional Water Quality
6 Control Board (SDRWQCB) has been taking on penalties and fines.

7 Director Disston also reported on his attendance at the City of Rancho Santa Margarita's
8 City Council meeting in August.

9 President Safranski commented on his recent visit to Austin Texas and described the
10 condition of the area and quality of living due to the severe water shortage.

11
12 **REPORT FROM THE GENERAL MANAGER**

13 General Manager, Mr. Don Chadd, advised the Trabuco Creek Wells Facility wells are
14 still producing water at a rate of 390 gallons per minute. Mr. Chadd stated this is attributed to
15 the new design of the wells and the variable speed motors on the pumps.

16 Mr. Chadd advised TCWD has purchased i-pads for the Board of Directors,
17 Management, and Accounting Supervisor. Mr. Chadd advised the i-pads will be distributed to
18 each person at the end of this board meeting.

19 **ITEMS TOO LATE TO BE AGENDIZED**

20
21 There were no items too late to be agendized.

22 **CONSENT CALENDAR**

23 President Safranski announced that all matters under the Consent Calendar would be
24 approved by one motion unless a Board Member requests a separate action on a specific item.

25 **ACTION CALENDAR**

26
27 President Safranski stated that the General Manager and staff had reviewed all matters
28 under the Action Calendar prior to the Board's consideration.

1 **MOTION:** A motion was made by Director Disston and seconded by Director
2 Haselton to approve the Consent Calendar, Item Nos. 1A through 1D as
3 presented. The motion carried 4-0 with Director Acosta absent.

4 **ADMINISTRATIVE MATTERS**

5 **ITEM NO. 1E STAFF REPORT AND POSSIBLE ACTION REGARDING THE**
6 **GRAND JURY REPORT RELATING TO COMPENSATION**
7 **SURVEY OF WATER AND SANITATION DISTRICTS**

8 The District has received a copy of the 2010-2011 Orange County Grand Jury Report,
9 “Compensation Survey of Water and Sanitation Districts”. The Grand Jury has requested that
10 for each recommendation a response is provided as to accepted, rejected, implemented, or
11 schedule of future implementation date.

12 The Board reviewed and approved the draft response.

13 **ITEM NO. 1F RATIFICATION OF DIRECTOR’S FEES AND EXPENSES AND**
14 **FUTURE MEETINGS**

15 Each director reviewed their attendance. No changes were made.

16 **MOTION:** A motion was made by Director Disston and seconded by Director
17 Haselton to approve the director’s fees and expenses and future meeting as
18 presented. The motion carried 4-0 with Director Acosta absent.

19 **ITEM NO. 1G DISCUSSION AND POSSIBLE ACTION RELATING TO**
20 **ADOPTION OF RESOLUTION NO. 2011-1160 FIXING THE**
21 **EMPLOYER’S CONTRIBUTION UNDER THE PUBLIC**
22 **EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT**

23 Adoption of Resolution No. 2011-1160 will set the 2011/2012 CalPERS Benchmark at
24 \$1,342,33 which is an increase of \$25.76.

25 **MOTION:** A motion was made by Director Disston and seconded by Director
26 Haselton to adopt Resolution No. 2011-1160 fixing the employer’s
27 contribution under the public employees medical and hospital care act.
28 The motion carried 4-0 with Director Acosta absent.

1 **ITEM NO. 1H** **CONSIDERATION AND POSSIBLE ACTION RELATING TO**
2 **ADOPTION OF RESOLUTION NO. 2011-1161 APPOINTING AN**
3 **INTERIM DISTRICT TREASURER**

4 Mr. Chadd reminded the Board they had ratified Ms. Navaroli's Professional Services
5 Contract last month as TCWD's new contract Certified Public Accountant and that Schoonover
6 Accountancy had been provided termination of services notice.

7 Discussion occurred relating to Ms. Navaroli's proficiency and knowledge of
8 governmental accounting.

9 **MOTION:** A motion was made by Director Disston and seconded by Vice President
10 Mandich to adopt Resolution No. 2011-1161 appointing an interim district
11 treasurer. The motion carried 4-0 with Director Acosta absent.

12 **ITEM NO. 1I** **CONSIDERATION AND POSSIBLE ACTION RELATING TO**
13 **FORMATION OF AN AD HOC COMMITTEE IN ORDER TO**
14 **EVALUATE THE STATUS OF AN EXISTING DISTRICT ASSET**

15 Mr. Chadd advised the district owns one large piece of land and he feels the timing is
16 right to evaluate possible uses.

17 Mr. Chadd stated he would recommend in addition to Mr. Ruiz and himself, that one
18 director from the finance/audit committee and one director from the engineering/operational
19 committee comprise the Ad Hoc committee and report back to the full Board prior to July 1,
20 2012.

21 **MOTION:** A motion was made by Director Disston and seconded by Vice President
22 Mandich to form an Ad Hoc Committee to evaluate the status of an
23 existing district asses. The motion carried 4-0 with Director Acosta absent.

24 President Safranski appointed himself and Vice President Mandich to serve on the committee.

25 **ITEM NO. 1J** **STATUS UPDATE AND POSSIBLE ACTION RELATING TO**
26 **STORM DAMAGE**

27 Mr. Ruiz advised FEMA has a different representative assigned to TCWD at this time
28 and Mr. Ruiz in coordinating TCWD's appeal of the denial of the Serrano Creek Crossing
project with him. PSOMAS has provided documentation which concludes repair of this 16-inch
line would not be feasible and that there is risk of imminent failure.

1 Mr. Ruiz advised he is in the process of completing the environmental report for Project
2 WSP2, the 8-inch transmission line repair at Rose Creek Crossing, which will be submitted this
3 month.

4 Mr. Ruiz stated the cost for the environmental documentation and permits is
5 approximately \$21,000.00 and will qualify for FEMA reimbursement.

6 The Board received and filed the information. No action taken.

7 **ENGINEERING MATTERS**

8 **ITEM NO. 1K STATUS UPDATE AND POSSIBLE ACTION RELATING TO** 9 **BAKER REGIONAL WATER TREATMENT FACILITY**

10 Mr. Ruiz presented Variance No. 4 which is a 30 percent change order related to design
11 change. Mr. Ruiz advised this submission was originally rejected by the Baker Water Treatment
12 Plant Committee. Mr. Ruiz advised the information before the Board tonight is the revised
13 edition with much more detail. Mr. Ruiz advised all other agencies have taken this item to their
14 Boards and have obtained approval and that IRWD has issued the Notice to Proceed to RBF
15 Consulting.
16

17 Mr. Ruiz advised the cost of the change order is approximately \$700,000.00 and
18 TCWD's portion is approximately \$32,000.00. Mr. Ruiz advised the Board if they do not
19 approve Variance No. 4, TCWD will need to exit participation in the project at the next off-
20 ramp.
21

22 **MOTION:** A motion was made by Director Disston and seconded by Vice President
23 Mandich to approve Variance No. 4 as submitted. The motion carried 4-0
with Director Acosta absent.

24 **ITEM NO. 1L DISCUSSION AND POSSIBLE ACTION RELATING TO NOTICE** 25 **OF PREPARATION OF INTENT TO PREPARE DRAFT** 26 **ENVIRONMENTAL IMPACT REPORT #611 RELATING TO** **SADDLE CREST HOMES**

27 Mr. Chadd provided the Notice of Preparation to the Board and discussed Figure 4 as it
28 relates to TCWD's boundary.

1 Mr. Rob Anslow, TCWD Legal Counsel, suggested he work with Mr. Ruiz in the
2 preparation of the response.

3 Discussion occurred related to location of a new reservoir to service the proposed
4 development.

5 The Board received and filed the information. No action taken.

6
7 **ITEM NO. 1M STATUS UPDATE AND POSSIBLE ACTION RELATING TO**
8 **EXTENSION OF MEMORANDUM OF UNDERSTANDING**
9 **BETWEEN THE TRABUCO CANYON WATER DISTRICT AND**
10 **KHALIL N. ZADEH AND TOURAN M. ZADEH CONCERNING**
11 **THE SUPPLY OF IRRIGATION WATER TO PROPERTY**
12 **WITHIN ORANGE COUNTY TRACT NO. 12365**

13 Mr. Chadd provided background information relating to the existing Agreement and terms of
14 the buy-in to TCWD's system. Mr. Chadd relayed that Mr. Robert Meyer had contacted him
15 last month requesting a five year extension of the current Agreement. Mr. Chadd advised
16 TCWD's legal counsel has prepared the attached Extension Agreement with the legal costs
17 coming from the developer deposit on file with the District. Mr. Chadd recommended that in
18 light of the current economic conditions, TCWD grant the five year extension.

19 Mr. Robert Meyer addressed the Board. Mr. Meyer stated since the time of the Agreement
20 with the District there has been the same occupancy within the property and the wells are used
21 for irrigation of vegetation away from the residences. Mr. Meyer thanked the Board in advance
22 for their consideration of his request.

23 **MOTION:** A motion was made by Director Disston and seconded by Director
24 Haselton to approve the Extension of Memorandum of Understanding
25 between TCWD and the Zadehs for the time period stated. The motion
26 carried 4-0 with Director Acosta absent.

27 **ITEM NO. 1N STATUS UPDATE RELATING TO BROOKSEED/DOVE INTER-**
28 **TIE**

Mr. Ruiz advised agreements have been executed with DMc Engineering and PSOMAS

1 to prepare the required documents for this project. Mr. Ruiz advised information will be brought
2 to the board once the design plans have been completed. Mr. Chadd advised he wants to move
3 quickly with this project. Mr. Chadd advised there will be three fire hydrants placed strategically
4 along this route.

5 Mr. Ruiz suggested this item be taken off the board agenda and placed on the
6 Engineering/Operational committee agenda under On-going Engineering Projects. The Board
7 agreed.

8 The Board received and filed the information. No action taken.
9

10 **ADMINISTRATIVE MATTERS**

11 **ITEM NO. 10 STATUS UPDATE RELATING TO TRABUCO HIGHLANDS** 12 **PRESSURE ZONE EVALUATION**

13
14 Mr. Ruiz advised agreements have been executed with DMc Engineering and PSOMAS
15 relating to easement and design. Mr. Ruiz advised he will be bringing information back to the
16 board once the design has been completed and project bids have been received.

17 Discussion occurred regarding the reduction of repair cost relating to asphalt repair on
18 future line breaks in this area of the district.

19 Mr. Ruiz suggested this item be taken off the board agenda and placed on the
20 Engineering/Operational committee agenda under On-going Engineering Projects. The Board
21 agreed.

22 The Board received and filed the information. No action taken.
23

24 **ITEM NO. 1P DISCUSSION AND POSSIBLE ACTION REGARDING THE FINES** 25 **IMPOSED BY THE SAN DIEGO REGIONAL WATER QUALITY** 26 **CONTROL BOARD ON THE SANTA MARGARITA WATER** 27 **DISTRICT RELATING TO THE 2010 SEWAGE SPILL**

28 Mr. Chadd provided background information relating to where the actual spilled sewage

1 originated from and the steps TCWD took to divert TCWD's sewage immediately upon
2 notification of the mishap.

3 Discussion occurred relating to IRWD's position on the sewage spill and associated fines.
4 Discussion also occurred relating to sewer spills in general and how special districts may
5 consider raising sewer fees to create a reserve for sewer spill fines.

6 The Board received and filed the information.

7
8 **ITEM NO. 1Q DISCUSSION AND POSSIBLE ACTION RELATING TO LOCAL**
9 **GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL**
10 **ITEMS**

11 Mr. Chadd provided information from MWDOC related to an Elected Officials Forum.

12 Mr. Chadd discussed Senate Bill 685 relating to Water Rights. Mr. Chadd advised he
13 will send comment on behalf of TCWD.

14 The Board received and filed the information. No action taken.

15 **END ACTION CALENDAR**

16 **OTHER MATTERS**

17 There were no other matters discussed.

18 **ADDITIONAL DIRECTORS' COMMENTS**

19 There were no additional director's comments

20 **ADDITIONAL GENERAL MANAGER COMMENTS**

21
22 First, Mr. Chadd advised the Board of the status of two line breaks which occurred the
23 week of August 15, 2011. Mr. Chadd advised Doty Brothers are performing the repairs on the
24 first line break at this time and anticipate moving to the other line break along the El Toro bike
25 trail tomorrow.

26
27 Second, Mr. Chadd provided an updated relating to the outstanding invoice TCWD has
28 with the City of Rancho Santa Margarita (City). Mr. Chadd advised he removed the matter from

1 the engineering department and gave it to Mrs. Teichman, as the District Services Manager to
2 resolve. Mr. Chadd advised that Mrs. Teichman held a phone conference with the City's
3 Engineer and Administrative Services Director and they relayed the City's position is to pay no
4 more than \$21,000.00 to TCWD, regardless of what the City's Public Works Director had agreed
5 to or what additional costs TCWD incurred. Mr. Chadd advised the City will be issuing the
6 check to TCWD this week.

7
8 Third, Mr. Chadd discussed the sinkhole which had occurred two weeks ago on the
9 corner of Robinson Ranch Road and Heritage Road. Mr. Chadd reported the City hired Doty
10 Brothers to effect the repairs.

11 Fourth, Mr. Chadd stated TCWD's salary schedule was recently reviewed and
12 several employees appear to be below the established mean at this time. Mr. Chadd advised he
13 will bring this to the Board next month for ratification. Mr. Chadd stated the additional funds
14 will come from the saved health insurance premiums.

15
16 Mr. Chadd stated anyone who would care to stay after the board meeting ends will
17 receive their i-pad.

18 **ADJOURNMENT**

19
20 At 8:03 p.m. President Safranski adjourned the August 17, 2011 Regular Board Meeting.

21 Respectfully Submitted,

22
23
24 _____
25 Teresa Teichman
26 Secretary to the Board of Directors
27
28